



# FACT SHEET



## MDA FACT SHEET

# BALLISTIC MISSILE DEFENSE FISCAL YEAR 2002 BUDGET

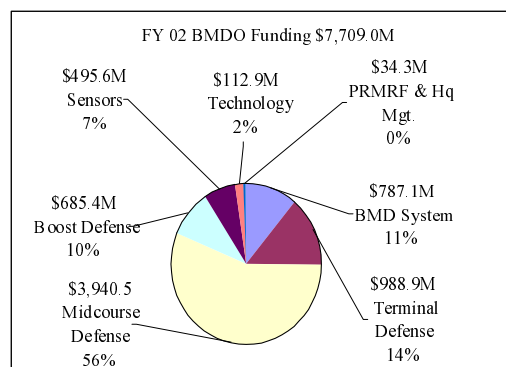
## MDA STRUCTURE

Last year the Department conducted an extensive and rigorous missile defense review. Based on the results in that review, the Department established a single program to develop an integrated BMDS under a newly titled Missile Defense Agency (MDA). The focus of MDA is to develop missile defense as a single integrated BMD System (BMDS), no longer differentiating between Theater Missile Defense and National Missile Defense. This revised structure involves three basic thrusts. First, to build on the technical progress we have made to date and undertake incremental improvements that could permit early fielding of demonstrated and prototype BMD capabilities, as directed. When a capability is sufficiently validated, that element or component will be ready for a decision regarding transition to production. Second, the BMD program will pursue a broad range of research, development, testing, and evaluation (RDT&E) to aggressively and simultaneously explore and develop technologies for integration on land, sea, air, or space-based platforms to counter ballistic missiles in all phases of their flight. Third, in line with our disciplined walk-before-you-run, learn-as-you-go approach to testing, we are incorporating more realistic scenarios and countermeasures into the missile defense test program. The BMDS Test Bed will be expanded to accommodate this more aggressive and robust testing approach.

In response to Congressional direction and to improve coordination over activities that are important to the overall BMD System, three major program adjustments were made in FY 2002: cancellation of the Navy Area element and initiation of follow-on sea-based terminal defense activity; restructuring of the Space Based Infrared System – Low (SBIRS-L) element; and redirection for the Space Based Laser (SBL) effort. The restructuring and redefinition of these efforts is planned for this current fiscal year. Also, the Department is planning to transfer to the Services responsibility for execution and management of the programs closest to production, the Phased Array Tracking Radar Intercept On Target (PATRIOT) Advanced Capability 3 (PAC 3), and Medium Extended Air Defense System (MEADS) in FY 2003. MDA will coordinate with the Services to preserve architectural consistency, interoperability, and integration of PAC-3, and MEADS.

## BUDGET STRUCTURE

The MDA budget is made up of two major funding appropriations: Research, Development, Testing and Evaluation (RDT&E) (\$7,700.875M) and Military Construction (MILCON) (\$8.169M). The RDT&E budget funds all work to create new weapon system capabilities and/or improve existing capabilities. This includes applied research on advanced concepts and designing, engineering, or testing prototypes.



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# BUDGET STRUCTURE CONT.

## MISSILE DEFENSE AGENCY FY 2003 BUDGET ESTIMATES (TYS in Millions)

Program Element	FY01	FY02	FY03
<b>Procurement</b>			
0208864C TMD BMC3 PROC	8.347	0.000	0.000
0208865C PAC3 PROC	357.692	731.455	0.000
0208871C NMD PROC	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
<b>Total Procurement</b>	<b>366.039</b>	<b>731.455</b>	<b>0.000</b>
<b>RDT&amp;E</b>			
0602173C Support & Follow on Technologies - Applied Research	<u>31.219</u>	<u>0.000</u>	<u>0.000</u>
<b>Budget Activity 02 Total</b>	<b>31.219</b>	<b>0.000</b>	<b>0.000</b>
0603173C Support & Follow on Technologies - Advance Tech. Development	130.716	0.000	0.000
0603174C Support & Follow on Technologies - Space Based Laser	69.595	0.000	0.000
0603175C BMD Technology	<u>0.000</u>	<u>139.340</u>	<u>121.751</u>
<b>Budget Activity 03 Total</b>	<b>200.311</b>	<b>139.340</b>	<b>121.751</b>
0603868C Navy Theater Wide Missile - Dem/Val	440.930	0.000	0.000
0603869C Medium Extended Air Defense System (MEADS) - Dem/Val	49.700	0.000	0.000
0603871C National Missile Defense (NMD) - Dem/Val	1,823.723	0.000	0.000
0603873C Family of Systems Engineering and Integration (FoS) - Dem/Val	227.965	0.000	0.000
0603874C BMD Technical Operations - Dem/Val	307.859	0.000	0.000
0603875C International Cooperative Programs	125.805	0.000	0.000
0603876C Intelligence Program (Threat & Countermeasures)	25.853	0.000	0.000
0901585C Pentagon Reservation Maintenance Reserve Fund	6.129	0.000	0.000
0603880C BMD System	0.000	807.993	1,065.982
0603881C Terminal Defense Segment	0.000	200.119	169.974
0603882C Midcourse Defense Segment	0.000	3,762.250	3,192.594
0603883C Boost Defense Segment	0.000	599.835	796.927
0603884C Sensors Segment	<u>0.000</u>	<u>335.338</u>	<u>373.447</u>
<b>Budget Activity 04 Total</b>	<b>3,007.964</b>	<b>5,705.535</b>	<b>5,598.924</b>
0604861C Theater High Altitude Area Defense System (THAAD) - EMD	530.432	866.530	934.681
0604865C Patriot PAC-3 Theater Missile Defense (PAC 3) - EMD	81.892	128.199	0.000
0604867C Navy Area Theater Missile Defense - EMD	267.453	99.302	0.000
0605502C Small Business Innovative Research (SBIR)	<u>89.104</u>	<u>0.000</u>	<u>0.000</u>
<b>Budget Activity 05 Total</b>	<b>968.881</b>	<b>1,094.031</b>	<b>934.681</b>
0901585C Pentagon Reservation Maintenance Reserve Fund	0.000	6.571	7.457
0901598C Management Headquarters	<u>0.000</u>	<u>23.943</u>	<u>27.909</u>
<b>Budget Activity 06 Total</b>	<b>0.000</b>	<b>30.514</b>	<b>35.366</b>
<b>Total RDT&amp;E</b>	<b>4,208.375</b>	<b>6,969.420</b>	<b>6,690.722</b>
<b>MILCON</b>			
0603871C NMD DEM/VAL	46.380	0.000	0.000
0603874C BMD Technical Support	1.923	0.000	0.000
0603880C BMD System	0.000	7.419	0.000
0603881C Terminal Defense Segment	<u>0.000</u>	<u>0.750</u>	<u>23.400</u>
<b>Total MILCON</b>	<b>48.303</b>	<b>8.169</b>	<b>23.400</b>
<b>Total MDA Program</b>	<b><u>4,622.717</u></b>	<b><u>7,709.044</u></b>	<b><u>6,714.122</u></b>

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## ACQUISITION STRATEGY

MDA is following an evolutionary acquisition strategy for the BMD System that effectively manages changes in the threat, changes in BMD System technologies, and progress in development and testing. Using RDT&E resources almost exclusively and in conjunction with an evolutionary approach, the strategy capitalizes on technological progression and provides for development, limited production, and deployment of initial BMD capabilities incrementally as soon as they are ready. Adopting an evolutionary acquisition model, the BMD System is constructed around a “Block” approach. Each BMDS Block spans a two-year timeframe and continuously builds capability into the BMD System by introducing new sensor and weapon projects, and/or by augmenting and enhancing existing capabilities. As the new projects mature they will be integrated into the BMD System to increase the capability to respond to the evolving threat. BMDS Block management includes decision points at which activities will be evaluated on the basis of effectiveness within the overall system, technical risk, deployment schedule, and cost. From these decision points, developmental activities will be accelerated, modified, or terminated depending on progress and promise.

## SUMMARY

This restructured approach toward developing and deploying missile defenses will meet the growing threat and provide the earliest possible fielding date of effective defensive capabilities. In contrast to the previous BMD program, the BMD System is intended to counter the full spectrum of ballistic missile threats, capitalize on existing technologies and capabilities, and foster innovation. It will incrementally incorporate the capabilities needed to detect, track, intercept, and destroy ballistic missiles in all phases of flight using kinetic and directed energy kill mechanisms and various deployment approaches. To maximize efficiency and prevent wasted effort in pursuing this end, a restructured acquisition strategy is essential. Accordingly, MDA has implemented a disciplined and flexible acquisition strategy to provide a timely, capable system. Thus the revised approach protects against uncertainty by ensuring that the U.S. will have the ability to defend itself, its deployed forces, allies, and friends from a ballistic missile attack should the need arise.

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